

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
TYLER DIVISION**

**ENCODITECH LLC,**

Plaintiff,

v.

**FOSSIL GROUP, INC.,**

Defendant.

**Civ. No. 6:17-cv-354**

**JURY TRIAL DEMANDED**

**ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT**

1. This is an action for patent infringement in which Encoditech LLC makes the following allegations against Fossil Group, Inc.

**PARTIES**

2. Plaintiff Encoditech LLC (“Plaintiff” or “Encoditech”) is a Texas limited liability company with its principal place of business at 3415 Custer Rd, Suite 120-A, Plano, Texas 75023.

3. On information and belief, Fossil Group, Inc. (“Defendant” or “Fossil”) is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business at 901 S Central Expressway, Richardson, Texas 75080.

**JURISDICTION AND VENUE**

4. This action arises under the patent laws of the United States, Title 35 of the United States Code. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

5. Venue is proper in this district under 28 U.S.C. §§ 1391(c) and 1400(b). On information and belief, acts of infringement have occurred in this District, and Defendant has a regular and established place of business in the District, which includes, without limitation, physical retail stores of Defendant in the District.

6. On information and belief, Defendant is subject to this Court's specific and general personal jurisdiction pursuant to due process and/or the Texas Long Arm Statute, due at least to its substantial business in this forum, including: (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods and services provided to individuals in Texas and in this Judicial District.

**COUNT I**  
**INFRINGEMENT OF U.S. PATENT NO. 6,321,095**

7. Plaintiff is the owner of United States Patent No. 6,321,095 ("the '095 patent") entitled "Wireless Communications Approach." The '095 Patent issued on November 20, 2001. A true and correct copy of the '095 Patent is attached as Exhibit A.

8. Defendant owns, uses, operates, advertises, controls, sells, and otherwise provides products and/or services that infringe the '095 patent. The '095 patent provides, among other things, "A wireless communication system comprising: a first mobile station; and a second mobile station; wherein the first mobile station is configured to select a first portion of a radio frequency (RF) band to carry communications between the first mobile station and the second mobile station, transmit a first request signal on a first sub-portion of the first portion of the RF band directly to the second mobile station to request communications between the first mobile station and the second mobile station, establish in response to receiving a first acknowledge signal from the second mobile station, a direct communication link between first the mobile station and the second mobile station on the first portion of RF band; encrypt the message using the public encryption key to generate an encrypted message, provide the encrypted message to the second mobile station so that the second mobile station may decrypt the encrypted message using the private encryption key and extract the Ckey, wherein the message exchanged between the first and the second mobile stations are encrypted using the Ckey; and Wherein the second mobile station is configured to transmit, in response to receiving the first request signal from the first mobile station, the first acknowledge signal on a second sub-portion of the first portion of the RF band directly to the first mobile station to acknowledge the first request signal."

9. Defendant directly and/or through intermediaries, made, has made, used, imported, provided, supplied, distributed, sold, and/or offered for sale products and/or services

that infringed one or more claims of the '095 patent, including at least Claim 7, in this district and elsewhere in the United States. For example, but without limitation, the Fossil Gen 1 Chronograph Smart Watch ("the accused product") forms a wireless communication system along with another mobile station (e.g., phone tablet, or other mobile device). By making, using, importing, offering for sale, and/or selling such products and services, and all like products and services, Defendant has injured Plaintiff and is thus liable for infringement of the '095 patent pursuant to 35 U.S.C. § 271.

10. Based on present information and belief, the wireless system comprises a first mobile station (e.g., the accused product) and a second mobile station (e.g., phone, tablet, or other mobile device). Both are meant to communicate with each other via the Bluetooth v4.0 protocol.

11. Based on present information and belief, the accused product is configured to select a first portion of a radio frequency (RF) band (2.4 GHz-2.4835 GHz of ISM Band) to carry communications (via Bluetooth V4.0 protocol) between the accused product and the second mobile station(e.g., phone, tablet, or other mobile device).

12. Based on information and belief, the accused product transmits a first request signal (Connect\_Req signal) on a first sub-portion (e.g., double sided spectrum with centre frequency 2.402 GHz, also indexed as channel 37, which is an advertising channel) of the first portion(2.4 GHz-2.4835 GHz ) of the RF band directly to the second mobile station(e.g., phone, tablet, portable speaker, headphones or any mobile device) to request communications between the first mobile station(e.g., the accused product) and the second mobile station (e.g., phone, tablet, portable speaker, headphones or any mobile device). The connection request signal is an advertising channel PDU with PDU bit type 0101, the advertising channel PDU is sent over advertising channel (first sub portion). Below is the packet structure of request signal sent by first mobile station (e.g., accused product) to second mobile station.

13. Based on present information and belief, the accused product establishes in response to receiving a first acknowledge signal from the second mobile station, a direct communication link between first the mobile station (e.g., the accused product) and the second mobile station (e.g., a smartphone having the Fossil mobile app) on the first portion of RF band (2.4 GHz-2.4835 GHz of ISM band) and start exchanging data packets.

14.

15. Based on present information and belief, The accused product encrypts the message using the public encryption key to generate an encrypted message, provide the encrypted message to the second mobile station so that the second mobile station may decrypt the encrypted message using the private encryption key and extract the Ckey (common key), wherein the message exchanged between the accused product and the second mobile stations are encrypted using the Ckey (common key) In a public private key system a receiver receives an encrypted message and decrypts the same with a private key. A private key is used to decrypt the encrypted message.

16. Based on present information and belief, the second mobile station transmits a first acknowledgement signal after receiving the first request signal (Connect\_Req signal). Thereafter, the accused product directly receives a first acknowledge signal on a second sub-portion (formed of centre frequencies ranging from: 2.404 GHz to 2.424 GHz; and 2.428 GHz to 2.478 GHz) of the first portion of the RF band (2.4 GHz-2.4835 GHz of ISM band) to acknowledge the first request signal (Connect\_Req signal). The second sub portion (formed of centre frequencies ranging from: 2.404 GHz to 2.424 GHz; and 2.428 GHz to 2.478 GHz) is used to receive the acknowledgement signal. Bluetooth uses an acknowledgement scheme in which for every packet received an acknowledgement signal is sent to the source. Once the second mobile station receives connect\_req signal it enters into the connection state where it transmits data on data channels (second sub portion of band formed of frequencies ranging from : 2.404 GHz to 2.424 GHz; and 2.428 GHz to 2.478 GHz. Therefore the second mobile station sends an acknowledgement signal to the first mobile station after receiving connect\_req. Since after receipt the connect\_req by second mobile station the stations enters connection state mode where all the signals are sent over data channel and the acknowledgement is sent over the data channels.

17. In the alternative, because the manner of use by Defendant differs in no substantial way from language of the claims, if Defendant is not found to literally infringe, Defendant infringes under the doctrine of equivalents.

18. Defendant's aforesaid activities have been without authority and/or license from Plaintiff.

19. In addition to what is required for pleadings in patent cases, and to the extent any marking was required by 35 U.S.C. § 287, Plaintiff and all predecessors in interest to the '095 Patent complied with all marking requirements under 35 U.S.C. § 287.

20. Plaintiff is entitled to recover from Defendant the damages sustained by Plaintiff as a result of the Defendant's wrongful acts in an amount subject to proof at trial, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

### **PRAYER FOR RELIEF**

WHEREFORE, Plaintiff respectfully requests that this Court enter:

1. A judgment in favor of Plaintiff that Defendant has infringed the '095 Patent;
2. A judgment and order requiring Defendant to pay Plaintiff its damages, costs, expenses, and prejudgment and post-judgment interest for Defendant's infringement of the '095 Patent as provided under 35 U.S.C. § 284;
3. An award to Plaintiff for enhanced damages resulting from the knowing, deliberate, and willful nature of Defendant's prohibited conduct with notice being made at least as early as the date of the filing of this Complaint, as provided under 35 U.S.C. § 284;
4. A judgment and order finding that this is an exceptional case within the meaning of 35 U.S.C. § 285 and awarding to Plaintiff its reasonable attorneys' fees; and
5. Any and all other relief to which Plaintiff may show itself to be entitled.

### **DEMAND FOR JURY TRIAL**

Plaintiff, under Rule 38 of the Federal Rules of Civil Procedure, requests a trial by jury of any issues so triable by right.

Respectfully Submitted,

**ENCODITECH LLC**

/s/ Papool S. Chaudhari

Dated: June 14, 2017

By: \_\_\_\_\_

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